#### SECRET SECURITY INFORMATION





Chief of Mission, Frankfurt

15 October 1952

Chief, PHB

ATTN: C

エ

OPERATIONAL/CALL

The LC/PROWL Apparat Plap and its Effect on XIBITZ-15

- 1. My last meeting with KIBITZ-15 was on the evening of 8 October 1952. At the time of that meeting, neither of us knew of the flap caused by Hessian Minister President Zinn's disclosure of the BDJ's pertisen organization. My next meeting with KIBITZ-15 is scheduled for the evening of 16 October 1952 at a safehouse in Heidelberg.
- 2. Knowing KIBITZ-15 as I do and realising that the question of his "status" vis-a-vis the Ogram Government has always been of great concern to him. I am sure that he spont the last week doing a great amount of soul searching regarding his activities for us and the future.
- 3. Among the courses of action KIBITZ-15 might take are the following four!
  - (a) Go to the Benn Government (where he has a number of very good and well-placed friends) or, to ZIPPER and tell all about his activities for us.
  - (b) Lay the groundwork, or at least plan it, for doing (a) above, but wait until he has seen me before doing it. In this connection he might even ask my cooperation in making correct connections in Bonn.
  - (e) Or he could do the opposite of (b) and plan, with Bonn's help, another "flap".
  - (d) (mit entirely or give me a date which will be the latest that he will actively participate in the KIBITZ Program.
- 4. It is believed that KIBITZ-15 will or has made one of the above choices because the current flap has put his in somewhat of a spot. If the Ronn Covernment does not know of his operations now, he is still safe from, we will say, unfavorable publicity. However, if the Bonn Government finds out themselves about KDHTZ-15's operations a month or a year from now, they could easily roll him up with a very adverse publicity and thereby mullify his military ambitions which are uppermost in his mind. I have said before DOCUMENT NO.

NAZI WAR CRIMES DISCLOSURE ACT

COM-3 BE-3

EXEMPTIONS Section 3(b)

CLASS, CHANGED TO: TS S C

NO CHANGE IN CLASS.

D DECLASSIFIED

(2) (B) Methods/Sources by the Central Intelligence Agency DATE:

Date:

(2) (B) Privacy

NEXT REVIEW DATE:

Declar intelligence Agency DATE:

Date:

Date:

Echiled K-15

### SECRET SECURITY INFORMATION

in dispatches that he has no regard for Boss or for politicians; this is true! However, he is not dusb and, with his military asbitions, he cortainly realizes that it would be such better for him to be working for the Bonn Covernment in a quasi or official capacity, when to be working for the Americans in classestine activity.

#### WHY WE SHOULD KEEP THE KIRITS-15 HAT.

- 1. It is a going group which could possibly (?) be expanded under tight control.
- 2. We have nothing to replace it.
- 3. It could be used as easouflage for our staybehind operations.
- h. It could be turned into a paranilitary (Resistance) organisation(?).
- 5. It is enti-Soviet in its moti-
- 6. It could be used in a machiavellian sense as bait for the Seviets in time of hestilities.

## BUT HE SHOULD NOT KEEP THE KIDERA-

- 1. Detting rid of it now, if possible, i.e. turning it over to the Federal Covernment or to ZIPPER, would eliminate possible discovery of such organization at a later date and an ensuing flap.
- 2. In relation to (1) above, terming it over to Bonn now might be used as a "sop" in our relations with Bonn over the present flap.
- 3. If KIBIT2-15 has not already done so, he could at any time "turn us in" to Bonn.
- b. In relation to (3) above, control of KIBITZ-15 will always be a problem.
- 5. The compartmentation of the Net as a whole is not very good and the possibility of compromise or its discovery by the German Government is ever present.

Is being considered for reassignment to a position of more responsibility, by NUCA.

7. KIDITA-15 has always been worried about his "status" and he is sure to bring the point up now. "Turn the entire operation over to Bonn", might be our ready enswer asfar as our relations

SECRET SECURITY INFORMATION

#### 

#### WHI MR SHOULD NOT KEEP THE KINITZ-15 NET.

with him are concerned in seeking a painless solution.

- 8. Because of bad compartmentation, doubts over control and metivation of KIBITZ-15, (what does be really mant) the question "can it ever operate"? is always in my mind.
- 9. The type of people in the KIBITZ-15 Net, although strongly anti-Soviet, do not always possess the high mental and initiative standards required of a staybehind agent.
- 10. The loyalty of the whole show is more towards KIBITZ-15 and/or Germany than towards the U.S. or the West.
- 11. During the period which the undersigned has been case officer, the KIBITZ-15 show has taken up 75 per cent of the time of personnel assigned to the project and about the same percentage of money allotted. Questions Aren't we putting most of our eggs in one basket?
- 12. KIBITZ-15 has stated that he has good connections in Bonn, especially in the Blank Einisterium which is planning the new German Army. Whether or not such "connections" know of KIBITZ-15's activities for us is unknown. However, they could be used, flap-wise, by either party at any time.
- 13. Although KIBITZ-15 has never mentioned specifically ZIPPER, he no doubt has either witting or unwitting connections with ZIPPERITES. These also could be used by either party to compromise the operation.
- 6. In considering the above, which might be called the pluses and minuses of what should be done with KIBITZ-15, the facts known to KIBITZ-15 and his sub-agents that might compresse us are:
  - (1) He knows our general operating procedure.
- (2) He knows eafthouse in Unterschemierf, (now being released, but it will still be used operationally by MOB) Ulm and Heidelberg. However, arrangements have been made to exchange the Ulm place for a new house unknown to the KIBITZ-15 Het effective this week.
- (3) KIBITZ-15 and some of his sub-agents know the operational cars used by case officers. It is not known whether or not KIBITZ-15 (or others) has had the foresight to take down the license numbers.
- (h) KINITA-15 himself very probably suspects that our headquarters is in Frankfurt even though we have never given him may indication that it was or was not. He has this knowledge from the fact that \(\sigma\) \(\sigma\) had

SECRET SECURITY INFORMATION

# SECRET SECURITY INFORMATION

KIBITZ-15 to dinner at his home in the HICCO Project a week before departing for the United States. During the dinner, KIBITZ-15 learned L = /s correct name when E \_ /s child said, "Daddy, what name do we use tenight, Keesler or (true name)".

(E) FIRTER IE and a number of his out-seaths brown

| number of [ has seen. [ | Je Gene or Mr. Hartman; it is possible the license of privately owned vehicle which KIBITZ-15 and this vehicle about a month ago and did not get his name previously, he has no way now. |
|-------------------------|--|
| <i>E</i>                | I as Mr. Dennis H. Donn or Don.  |
| E                       | I as Mr. Robert C. Larrie or Lagrie.   |
| E                       | as George Kanfaann.  |
| 15                      | as Don Carvin.   |
|                         | as Hick Kessler and see (h) above.   |
|                         | as Colonel Paniels.  |
| ****                    |  |

- (6) Although the cover used by case officers in KIBITZ-15 show has always been "U.S. Army out of Washington", KIBITZ-15 has given me some indications that he at least suspects that we are DYCLAIN for he has mentioned, on two occasions, and asked obliquely what connection we had with him.
- (7) KIBIT2-15 knows or can easily find ont, all date on household belp in Ulm and Unterschonderf.
- (8) KIBITZ-15 probably suspects that we have operations other than his in the staybehind field. (Both the U.S. staff side and KIBITZ-15 Net agents were trained and met in the Ulm and Unterschonderf safehouses prior to the undersigned's taking over the operation. This was changed in late July when we obtained the Ludwigsburg safehouse which is used only for the non-KIBITZ-15 side of the program.)
- (9) KIBITZ-15 has seen all of our secret W/T equipment RS-1, RS-6 and TR-1 W/T sets, together with ADK, oscillator and instructograph for W/T. Operators in KIBITZ-15 Net and, of course, all sub-agents who are W/T candidates have seen and used this equipment if they were cleared.

SECRET SECURITY INFORMATION

# SECURITY INFORMATION

#### -5 - A-1-0-F

- (10) KIBITZ-15 and his operators who have been cleared and/or reached a pertinent stage in training, are familiar with our W/T operating procedure and RROWN/A signal plan. No W/T operator or any other person in the KIBITZ-15 Not, including KIBITZ-15, has in his possession a signal plan of any type, crystals, or a W/T set other than a TR-1. (KIBITZ-15 has four TW-1s in gas cans given to him by Plaine. These will be picked up.)
- 7. In considering all of the above points and the fact that we have no contract with KIBITZ-15 he refused to sign one for L and mentioned this refusal to me soon after I took over the operation and the fact that he always emphasizes that he is sorking with the U.S. for Germany, it is believed that the entire operation should be turned over (by DYCLAIN approach) to the Bonn Government or to XIPPER as soon as possible. If this is not feasible immediately, it is believed there should be a moratorium on operations until the position of DYCLAIN is clarified in regard to the establishment of clandestine para-military/staybehind operations in Germany.

This proposed action pertains only to the KIRITZ-IN Net In the staybehind program. The U.S. recruited and controlled staybehind agents are not believed a danger, security-wise, to MCLAIM. This is based mainly on the fact that the compromise of main any one of U.S. staff controlled staybehind agents would be the compromise of only one man or team and not the entire program. The undersigned has, over the last sixty days, placed operationally exphasis on the U.S. staff side of KIBITS and, if KIBITZ-15 and his Not are turned over to the German Government or ZIPPKR, this will free staff personnel to concentrate on individual U.S. recruited and controlled agents. Considering the reassessment of the U.S. position in this field, it is believed that it would pay us to concentrate on recruiting and training a small or reasonable musber of high-quality U.S. controlled staybehind agents instead of the mass-type organization that KIBITZ-15 or his like will always evolve us in. (All recruiting has, however, been stopped temperarily per DIR 22611, 8 October 1952.)

- 8. At my next meeting with KIBIT2-15 on the evening of 16 October 1952, I will, of course, have to see what his reaction to the flap has been before taking any action. Here is my proposed plan of action:
- (a) If KIBITZ-15 says he wants to go to Bonn with his case, I will agree (as suggested by 

  It and 
  I) and attempt to have him let me make the arrangements for him to one semeone in Somm, or in the "Cablen Cruppe". If he says that he will go himself, I will attempt to get the "Who and When" so we can act first.
- (b) If KINITZ-15 does not directly say what he has done, I will attempt to clicit all I can about what he has done so we can act accordingly.

9. H.B - In a meeting between the undersigned, I on 3 November 1952, I the following course of action in connection with the KIBITZ-15 program was agreed:

a. At an exploratory meeting which I would have with KIDIT2-15 in the near future, I would advise him that because of developing German severeignty, German participation in EDC and the relationship of both to MATO, we were giving some consideration to advising the Federal Government of the existence of the net, but before so doing, (1) wanted to obtain his reaction, (2) his opinion as to who specifically should be contacted in the government if an approach were made, and (3) determine whether he had as yet made any approach himself and if so, to whom.

b. If KIBITZ-15 were agreeable to such an approach and no other adverse factors appeared, we would then contact the government (probably the lift or the Interior Ministry), advise them in general terms of the not and the purposes for which it had been erganized, point out that to date there have been no security "flaps" resulting from the not's existence, stipulate our intention to maintain the not under direct U.S. control or ZIPPER until such time as the Federal Covernment was prepared to take it over, and ask for Federal Covernment reaction to these proposals, and specifically for their recommendation as to whether the not should be passed to ZIPPER, held by us, or phased out.

- ll. As an alternative to the action proposed in paragraph 9, we might discuss with 

  and his STORCE case officer, the advisability of turning over the net to ZIPPER with or without any recourse to the Federal Government. The factor favoring this alternative is the STORCH program itself within ZIPPER. We understand that ZIPPER is giving consideration to expanding STORCH, and has held discussions in this vein with USAREUR.
- 12. Formal approval of the course of action suggested in para 9 or 11, above, or an alternative directive is requested.

|               |             | E  |         |
|---------------|-------------|--|---------|
|               | NOTED BY:   | termiterial established in the contract of the | J       |
| APPROVEDI = 3 | <i>&gt;</i> | Schiled 1  | ecs/ctp |
|               | SEC         | ?ET  | 3       |

SECURITY INFORMATION